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AZ CORP COMMISSION
DOCKET CONTROL

ORIGINAL

IN THE MATTER OF THE APPLICATION OF
TABLE TOP TELEPHONE COMPANY, INC., A
NEVADA CORPORATION, FOR A HEARING
TO DETERMINE THE EARNINGS OF THE
COMPANY, THE FAIR VALUE OF THE
COMPANY FOR RATEMAKING PURPOSES,
AND TO INCREASE RESIDENTIAL RATES AS
NECESSARY TO COMPENSATE FOR THE
RATE IMPACTS OF THE FCC'S USF/ICC
TRANSFORMATION ORDER

DOCKET NO. T-02724A-13-0416

REVISED SCHEDULES

1 Table Top Telephone Company, Inc. hereby files revised pages one and two of the
2 schedules previously filed in this docket. The schedules were revised to correct errors in the
3 previous filing. Please note that the return on rate base has dropped from 7.33% to 6.80 % and
4 the return on rate base after the expected rate increase has dropped from 7.98% to 7.46%.

Respectfully submitted on January 21, 2014.

Arizona Corporation Commission

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JAN 21 2014

DOCKETED BY

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Original and 13 copies filed
on January 21, 2014 with:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Craig A. Marks

Table Top Telephony Company, Inc.
as of December 2, 2013

Revised January 20, 2014

REGULATED 2012 RESULTS OF OPERATIONS
REFLECTS CHANGES EFFECTIVE WITH ARC AND CAF IMPLEMENTATION - YEAR 2

| | 2012 TOTAL TELEPHONE OPERATIONS (a) | ADJUSTMENTS (b) | Ref (c) | ADJUSTED 2012 RESULTS (d) | INTERSTATE (e) | INTRASTATE (f) |
|--|---|--------------------|-----------------|---------------------------------|-------------------|-------------------|
| 1 Local | 1,267,128 | (3,131) | #6 | 1,263,997 | - | 1,263,997 |
| 2 Universal Service Fund (USF-HCI) and Safety Net Additive (SNA) | 2,610,564 | (30,717) | #11, 12 | 2,579,847 | - | 2,579,847 |
| 3 Access Revenues | 6,254,917 | (193,453) | #6, 7, 8, 9, 10 | 6,061,464 | 5,552,635 | 508,829 |
| 4 Billing & Collecting | 8,358 | | | 8,358 | 1,940 | 6,418 |
| 5 Other Misc., Uncollectibles | 29,626 | | | 29,626 | - | 29,626 |
| 6 Total Operating Revenues | 10,170,593 | (227,301) | | 9,943,292 | 5,554,575 | 4,388,717 |
| 7 Plant Specific Expenses | 1,755,627 | 30,597 | #1, 3 | 1,786,224 | 1,018,446 | 767,778 |
| 8 Plant Nonspecific Expenses | 732,810 | 3,860 | #4, 5, 6 | 736,670 | 436,958 | 299,712 |
| 9 Depreciation & Amortization Expenses | 2,422,087 | | | 2,422,087 | 1,173,995 | 1,248,092 |
| 10 Customer Operations Expenses | 400,254 | 5,403 | #2 | 405,657 | 203,267 | 202,390 |
| 11 Corporate Operations Expenses | 1,189,848 | (5,403) | #2 | 1,184,445 | 668,252 | 516,193 |
| 12 Other Operating Taxes and (Income) | 445,004 | | | 445,004 | 228,838 | 216,166 |
| 13 Total Operating Expenses | 6,945,630 | 34,457 | | 6,980,087 | 3,729,756 | 3,250,331 |
| 14 OPERATING RETURN BEFORE TAXES | 3,224,963 | (261,758) | | 2,963,205 | 1,824,819 | 1,138,386 |
| 15 State Income Taxes (SIT) (6.968%) | 182,597 | (11,110) | #13 | 171,487 | 110,902 | 60,585 |
| 16 Federal Income Taxes (FIT) (34%) | 828,320 | (49,864) | #13 | 778,456 | 503,432 | 275,024 |
| 17 Total Operating Income Taxes | 1,010,917 | (60,974) | | 949,943 | 614,334 | 335,609 |
| 18 Total Expenses and Income Taxes | 7,956,547 | (26,517) | | 7,930,030 | 4,344,090 | 3,585,940 |
| 19 Net Operating Income | 2,214,046 | (200,784) | | 2,013,262 | 1,210,485 | 802,777 |
| 20 Total Year-End Rate Base | 21,998,051 | | | 21,998,051 | 10,189,539 | 11,808,512 |
| 21 Return on Rate Base (Ln 19/Ln 20) | | | | | | 6.80% |
| 22 Estimated Revenue from Local Rate Increase | | | | | | 128,136 |
| 23 State Income Taxes (SIT) (6.968%) | | | | | | 8,929 |
| 24 Federal Income Taxes (FIT) (34%) | | | | | | 40,531 |
| 25 Increase in Net Operating Income | | | | | | 78,677 |
| 26 Net Operating Income After Increase (Ln 19 + Ln 25) | | | | | | 881,454 |
| 27 Return on Rate Base After Increase (Ln 26 / Ln 20) | | | | | | 7.46% |

ASSUMPTIONS

Used 2012 Cost Study run dated 7/29/13 for Part 36 separations
Separated results based upon frozen 2000 traffic factors
Separated results based upon 2012 financials, interstate rules, adjusted for Part 64 activities
Working Capital included for all jurisdictions

Table Top Telephone Company, Inc.

Adjustments to Revenues and Expenses

Revised January 20, 2014

| Ref | Account | Description | Debit | Credit |
|-----|--|--------------------------------|--------|--------|
| 10 | 5082 | Interstate Access Revenue | 99,229 | |
| | Exclude | | | 99,229 |
| | To adjust 2012 revenue trued-up in 2013. | | | |
| 11 | 5082.1 | Interstate High Cost Loop Fund | 5,751 | |
| | Exclude | | | 5,751 |
| | Adjustments in 2012 to previous year's USF Revenue | | | |
| 12 | 5082.1 | Interstate High Cost Loop Fund | 24,966 | |
| | Exclude | | | 24,966 |
| | Adjustments in 2013 to 2012 USF Revenue | | | |
| 13 | Exclude | | 60,974 | |
| | 7220 | Federal Income Tax | | 49,864 |
| | 7230 | State Income Tax | | 11,110 |